City of Barrie
Employment Development Community Improvement Plan

November, 2025

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1 Introduction

1.1. What is a Community Improvement Plan (CIP)?

A Community Improvement Plan (CIP) is a tool used to attract investment and foster redevelopment by allowing municipalities to direct funds and implement policy initiatives toward a designated project area. Section 28 of the Planning Act generally defines the types of incentives that can be used through a CIP, which are intended to encourage revitalization initiatives and/or to stimulate development and redevelopment for various environmental, social, or community economic development reasons.

Grants and loans can be offered to cover (but not exceed) eligible costs partially or wholly. This can include anything from site preparation, development, construction, redevelopment, and other related items. Municipalities must have enabling policies in their Official Plans to be able to prepare CIPs under the Planning Act. Essentially, a CIP allows municipalities to provide financial incentives for development that would otherwise contravene the Municipal Act.

1.2 Background

Why an Employment Development CIP?

Stimulating Investment

Barrie's Employment Development CIP is intended to support creating an 'open for business' environment to help encourage job creation by incentivizing development as part of Council's Strategic Priority of *An Affordable Place to Live.*

CIPs can provide an appropriate approach to targeting investment opportunities and directing where and how the City wants to attract business. This targeted approach can serve to enhance the current business environment and provide the scope and means to attract both large- and small-scale businesses most suitable for Barrie's economic landscape.

Small-scale industries refer to businesses that have a smaller scale of production and fewer employees compared to large-scale industries. On the other hand, large-scale industries have a larger scale of production, more employees, and a wider market reach. They are typically owned and operated by corporations or large companies.

Both large- and small-scale enterprises are essential for maintaining economic sustainability. A small business is defined by the Government of Canada as having 1 to 99 paid employees, a medium-sized business as having 100 to 499 paid employees and a large-sized business as having 500 or more paid employees.

Small businesses, which form the majority of Barrie's local economy, play a significant role in enriching economic diversity. They contribute to the stability of the local economy by offering employment opportunities across multiple sectors. Meanwhile, large corporations are pivotal due to their ability to create many job openings at once and

attract both domestic and international investors, thus stimulating economic expansion and progress.

Provincial Economic Development Objectives

A new Provincial Planning Statement, 2024 (PPS 2024) issued under section 3 of the Planning Act by the Ministry of Municipal Affairs and Housing (MMAH), came into effect on October 20, 2024, and has replaced the Provincial Policy Statement, 2020 and A Place to Grow: Growth Plan for the Greater Golden Horseshoe, 2019. Subsequently, all decisions affecting planning matters made on or after October 20, 2024, are required to be consistent with the PPS 2024 unless otherwise prescribed by the Minister.

The PPS 2024, gives provincial policy direction on key land use planning issues that affect communities, such as:

- building more housing where it is needed
- making land available for development
- creating opportunities for economic development and job creation
- planning for the appropriate transportation, water, sewer, and other infrastructure necessary to accommodate current and future needs
- protecting the environment and important resources including farmland, water, archaeology, cultural heritage, mineral aggregates, and petroleum
- protecting people, property, and community resources by directing development away from natural or human-made hazards, such as flood prone areas.

Additionally, the PPS identifies twenty-nine (29) large and fast-growing municipalities with the greatest need for housing and includes specific policies for these municipalities. The City of Barrie is recognized on the List of Large and Fast-Growing Municipalities in the province.

The development of an Employment Development CIP that focuses on attracting targeted end users to employment sites in the city is in alignment with provincial economic development objectives and provides a means through which the City can implement actions to best position itself for future growth of the local employment base.

In June of 2024, changes to the Municipal Act received Royal Assent, providing municipalities with a more permissive environment to offer incentive programs to encourage employment related developments that are aligned with provincial investment objectives. According to a summary of the revisions to the Municipal Act prepared by Aird Berlis LPP, titled “Bill 185, Cutting Red Tape Act to Build More Homes Act, 2024 Receives Royal Assent”, the new Section 106.1 of the Municipal Act:

> “…*allows the Province to make regulations authorizing a municipality to grant assistance, directly or indirectly, to a specified manufacturing business or other industrial or commercial enterprise during a specified period if the Province considers that it is necessary or desirable in the provincial interest to attract investment in Ontario. This regulation-making power also allows the Province to set out the types of assistance that may*

> *be granted as well as impose restrictions, limits or conditions on the granting of the assistance. The Province may also specify conditions that must be met before the assistance may be granted."*

Previous Incentives

The City of Barrie previously incentivized development through Development Charge (DC) abatements. The City's 2023 update of the DC By-law removed previous DC abatements and included a recommendation that any future business development incentives be administered through a CIP so that proper programs, evaluation criteria, business case review processes, and budgets can be established. This CIP program aims to establish this new regime of economic development incentives.

Capitalizing on Automotive Sector Opportunities

Much attention has been given in recent years to large-scale developments in advanced manufacturing, including the electric vehicle (EV) automobile industry. These opportunities are creating major employment opportunities and municipalities are looking at ways to improve their attractiveness to win these large-scale investments.

In April, 2024, Honda Canada announced a milestone investment of approximately $15 billion to create Canada's first comprehensive EV supply chain in Alliston, Ontario, less than 40 km from Barrie. This is one of the latest in a series of historic investments Canada has attracted across our EV supply chain, from mining to manufacturing.

Other recent investments include:

- January 28, 2025 – $1 billion investment by Linamar Corporation, an Ontario-based global auto parts manufacturer, to develop and commercialize cutting-edge vehicle powertrain solutions, as well as other green automotive technologies.
- October 28, 2024 – $155 million investment by Hanon Systems, a global supplier of automotive thermal and energy management solutions, for the construction of a new facility in Woodbridge, Ontario to manufacture cutting-edge e-compressors for EVs.
- August 12, 2024 – Goodyear Canada Inc. expansion of the company's facility in Napanee, Ontario to produce Original Equipment (OE) and replacement EV and all-terrain tires. This investment of more than $575 million will further expand the province's manufacturing capacity of key EV components and cement Eastern Ontario's role as a significant player in the EV supply chain.
- May 14, 2024 – a transformative investment by Asahi Kasei to build Canada's first industrial-scale EV battery separator plant in Port Colborne, Ontario, further bolstering the province's EV battery supply chain and cementing its leadership in the global EV transition.

Barrie is well situated within Ontario's automotive corridor and is already home to several automotive parts manufacturers. The Employment Development CIP will

provide Barrie with a means to offer the incentives required to compete with municipalities across the province for these types of investment opportunities.

https://www.investontario.ca/automotive#by-the-numbers

Aligning with Invest Ontario

Invest Ontario is a provincial agency dedicated to securing private sector strategic business and capital investments that support economic development, resiliency, and job creation in Ontario. They are facilitators that bring together Ministry and Provincial partners, Municipal and Federal Governments, and key influencers. The agency has access to a fund intended to support investment and it focuses on three strategic sectors where the province has a global competitive advantage: advanced manufacturing, life sciences, and technology. The criteria set out in this CIP are aligned with Invest Ontario's funding criteria to ensure project alignment and a coordinated approach.

Invest Ontario's Site Selection Services are actively working with major development investors to shortlist appropriate sites. They work directly with municipal economic development offices to gather property details, as well as incentive program information such as municipal CIPs.

Invest Barrie has developed a solid working relationship with Invest Ontario and has responded to multiple requests for information (RFIs) from the agency related to large-scale investment opportunities across a variety of different sectors.

This CIP is being prepared to be synchronous and work in conjunction with the City's Employment Land Strategy and Invest Ontario's Investment Ready Certified Site designation criteria. The City's CIP would help Barrie compete against other cities and towns across Ontario for these developments. Examples of Invest Ontario supported investment projects are listed on pages 4 and 5.

Aligning with the Provincial Brownfields Financial Tax Incentive Program

The Brownfields financial tax incentive program (BFTIP) is a financing tool from the Government of Ontario that helps municipalities give tax assistance to clean up brownfield properties.

A brownfield property is a vacant or underused place where past industrial or commercial activities may have left the soil or water contaminated.

Cleaning up the contamination and reusing the land to make way for places like homes, businesses, schools and recreation centres slows urban sprawl and supports intensification, neighbourhood rejuvenation, and the use of existing infrastructure.

Under the program, municipalities can get provincial education property tax assistance to match municipal property tax to help offset the remediation costs a property owner incurs when cleaning eligible brownfield properties.

If a property is eligible for the program, the Province can cancel all or a portion of the property owner's education property taxes for up to six years for business development projects. Matching is proportional, so if a municipality cancels 50% of municipal property taxes to help the property owner, then the Province would consider cancelling 50% of the education portion of the property tax.

To be eligible for the program, a property must:

1. Be covered by a CIP to rehabilitate existing built-up areas. The CIP may also include municipal financial incentive programs for land such as grants and loans to encourage private sector investment.
2. Have results from a phase 2 environmental site assessment that show the property needs environmental remediation. That means work has to be done to ensure the property meets the appropriate standards under the *Environmental Protection Act*.

To qualify for matching education tax assistance, municipalities apply on behalf of brownfield property owners. The municipality must:

1. fill out an application for matching education property tax assistance for each property;
2. provide a municipal tax assistance by-law with details about the municipal property tax assistance to the brownfield property owner(s) to offset remediation costs over a set amount of time. The draft by-law must state that a tax assistance agreement is in place between the owner and the municipality before the owner can receive tax assistance;

3. include a copy of the CIP and the by-law adopting it;
4. include details on current assessment information, estimates of the tax assistance to be provided, and confirmation of participation by upper-tier municipalities (if applicable); and
5. contact the Senior Municipal Financial Advisor from the regional Municipal Services Office to submit the application package.

1.3 Outline of this Plan

This Plan is comprised of the following sections:

1. **Introduction** – contains background information and context, including a general overview of CIPs and how to use this plan.
2. **Policy and Legislative Framework** – provides information about the legislative authority for CIPs and supporting Official Plan policies.
3. **Employment Development CIP** – identifies the Community Improvement Project Area, the purpose and objective of the CIP, financial and other program incentives, strategic alignment with Barrie's Employment Land Strategy, and eligibility requirements.
4. **Implementation** – establishes how the CIP will be implemented including the decision-making authority, program administration, funding and timing of grant payments, monitoring and reporting, and processes for any future amendments.
5. **Definitions** – includes defined terms to improve clarity and program implementation.

1.4 How to Use this Plan

The Employment Development CIP is intended to encourage investment, particularly in Barrie's key economic sectors (e.g. automotive, defense, mining, and life sciences) by providing financial incentives and other programs to facilitate development and encourage job creation within the city. Residential, mixed-use, office, commercial and retail projects would not be eligible.

Individuals who are interested in CIP financial incentives or programs should read this plan in its entirety. Particular attention should be paid to Section 3.3 (Financial Incentive Programs), which details the programs available, general program eligibility and requirements, and any program-specific requirements. Further information about the administration process, including application review and how funding is awarded, can be found in Section 4 (Implementation). Section 5 (Definitions) contains important program specific definitions to improve clarity.

After reading this plan, interested proponents are encouraged to contact Invest Barrie at the City to confirm their eligibility and ask any questions about the application process, which is outlined in more detail on Invest Barrie's website at **investbarrie.ca**. Early engagement with Invest Barrie staff is highly recommended.

Every effort has been made to ensure consistency and alignment of policies, programs, and requirements. The authority to interpret and implement this Plan will be with the City's Executive Management Team.

2 Policy and Legislative Framework

The legislative authority to prepare a CIP is provided under Section 28 of the *Planning Act*. The authority to provide financial incentives is established in Section 106 of the *Municipal Act*.

To establish a Community Improvement Project Area, a municipality must have provisions in their Official Plan relating to community improvement. The City of Barrie Official Plan 2051 currently contains provisions in Sections 7.3.3 and 9.6 regarding CIPs.

- Section 7.3.3 envisions the continued use of CIPs to support the redevelopment of underutilized areas such as contaminated industrial lands (brownfield sites) or underutilized commercial lands (grey field sites). CIPs may also complement any in-effect Community Planning Permit System (CPPS) to support the (re)development of employment lands.
- Section 9.6 identifies that the City recognizes the importance of supporting and encouraging new economic investment and a wide range of re-investments to realize the community vision and alignment with City Council strategic planning objectives. To that end, the City has the ability, as provided through Section 28 of the Planning Act, to advance community improvement planning to achieve certain social and community goals. One of the key benefits of community improvement planning is the ability of the City to provide financial incentives as stimulus.
- Section 9.6 also stipulates the entirety of the City is designated for community improvement and states that CIPs will be implemented through the passage of a by-law designating a community improvement project area and through the preparation of a CIP pursuant to the *Planning Act*. It further outlines the City's policies for CIPs, including processes and criteria for designating a Community Improvement Projects Area and preparing a CIP.

The Employment Development CIP has been prepared in alignment with current local and provincial policy and legislative contexts and the *Provincial Planning Statement, 2024* (October 20, 2024) (PPS 2024). Future regulations and changes to provincial policy anticipated from the Province may impact the incentive programs.

3 Employment Development Community Improvement Plan

3.1 Community Improvement Project Area

Section 28(1) of the *Planning Act* defines a “community improvement project area” as “an area within a municipality, the community improvement of which in the opinion of the council is desirable because of age, dilapidation, overcrowding, faulty arrangement, unsuitability of buildings or for any other environmental, social or community economic development reason.”

The Community Improvement Project Area for the Employment Development CIP includes all lands within the City of Barrie municipal boundary as it existed on the date of passing this By-Law, as shown on Figure 1 below, and in Schedule ‘A’ of By-law XXXX-2025.

Projects must be employment or industrial uses (as per PPS 2024) including but not limited to advanced manufacturing inclusive of priority sectors such as automotive, defense, mining, and life sciences. Residential, mixed-use, office, commercial and retail projects would not be eligible.

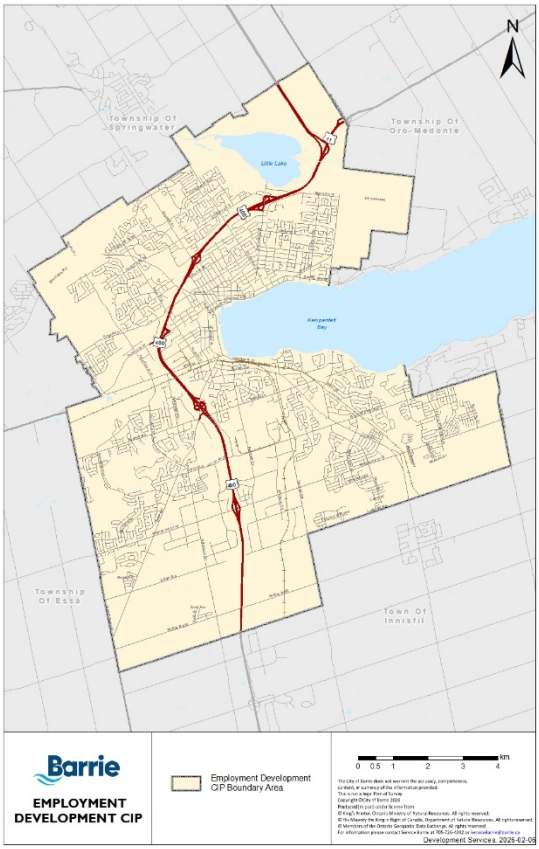

Figure 1: Community Improvement Project Area

3.2 Goal and Objectives

The goal of the Employment Development CIP is to help encourage job creation by incentivizing development projects that have the potential to create employment opportunities within Barrie. This initiative targets projects showcasing substantial financial investment that will create significant local economic benefit and local workforce opportunities. This will be accomplished by using financial incentives and other programs to reduce the cost of development to give Barrie an advantage when competing with other municipalities for employment related investment projects.

The Employment Development CIP will be a five (5) year program and will be reviewed and updated on a five (5) year cycle.

The objectives of the Employment Development CIP are as follows:

1. To provide motivations to achieve economic development goals of the City of Barrie. This CIP supports Council's 2022-2026 Strategic Plan's goal of providing an *open for business environment to help encourage job creation,* as part of the *An Affordable Place to Live* priority.
2. To stimulate significant private sector investment and job creation within Barrie by reducing certain business costs that may impede development.

3.3 Financial Incentive Programs

The following chart (Table 1) summarizes the financial incentives programs available under the Employment Development CIP and corresponding projects eligible for funding. Basic eligibility criteria the proposed project must meet to qualify for the program can be found in Section 3.3.1 (Financial Incentive Programs General Eligibility and Requirements). Additional details about each program, as well as any program specific eligibility requirements, are included in 3.3.2 (Employment Ready Review), 3.3.3 (Tax Increment Equivalency Grant (TIEG), 3.3.4 (Planning Fees and Building Permit Fees Grant Program), 3.3.5 (Study Grants Program), 3.3.6 (Development Charge [DC] Deferrals Program).

Table 1: Financial Incentive Programs Overview

Financial Incentive Program	Description	Eligible Projects
Employment Ready Review	A complimentary preliminary plan review and meeting with City Staff to determine the planning process required and to discuss general development requirements prior to development or building permit applications.	✓ Must be located on lands within the City of Barrie municipal boundary. ✓ Project sites shall not be located on lands subject to flooding hazards, erosion

		hazards, including wetlands. ✓ Projects must be employment or industrial uses including but not limited to advanced manufacturing (inclusive of priority sectors such as automotive, defense, mining, and life sciences). ✓ Residential, office, mixed-use, commercial and retail projects would not be eligible. ✓ May be vacant land or underutilized industrial buildings.
Tax Increment Equivalency Grant (TIEG)	The TIEG program incentivizes development by providing a yearly grant for a period of up to five (5) years. The TIEG uses the future property tax gains generated by a development to help finance the actual development through the provision of grants. The value of the grant provided is equal to the incremental increase in municipal property tax resulting from the increase in property assessment as a result of the improvements. The grant starts with 100% in year one and declines 20% per year for an additional four (4) years.	✓ Must be located on lands within the City of Barrie municipal boundary. ✓ Project sites shall not be located on lands subject to flooding hazards, erosion hazards, including wetlands. ✓ Projects must be employment or industrial uses including but not limited to advanced manufacturing (inclusive of priority sectors such as automotive, defense, mining, and life sciences). ✓ Residential, office, mixed-use, commercial and retail projects would not be eligible.

		✓ May be vacant land or underutilized industrial buildings. ✓ Priority will be given to projects anticipating the creation or retention of a large numbers of new jobs. ✓ Priority will be given to projects anticipating the creation of a large amount of new/redeveloped gross floor area and large construction values. ✓ Priority will be given to projects in priority sectors such as automotive, defense, mining, and life sciences. ✓ Priority will be given to projects receiving funding through Invest Ontario, or other Provincial or Federal Funding economic development agencies.
Exemption from Site Plan Application Fees and Building Permit Fees Grants	Allows for the upfront waiving of Site Plan Application fees and the rebating of 50% of the base Building Permit fee for qualifying employment land development projects up to a maximum of $150,000. Site plan application fees may be waived at the discretion of the Executive Director of Development Services or their designate for any development project	✓ Same criteria as above.

	that fits the project eligibility criteria. The waiver only applies to the City's portion of the Application Fee and would not include fees required by other commenting or review agencies (for example, conservation authorities). Applicants are responsible for paying Building Services fees for the base building permit at the time of application. Upon completion of an eligible development and following successful occupancy clearance from Building Services, 50% of the base building permit fee will be rebated up to a maximum of $150,000 per project. Only the base building permit fee qualifies for this rebate.	
Study Grants	A study grant is offered to offset the cost of studies required by the City to support an employment use on an eligible property. The studies may include but not necessarily be limited to: traffic impact studies; environmental impact studies; site servicing studies; archaeological surveys; and/or feasibility/analysis studies. The grant is a 50/50 matching grant program where the City will provide a grant to an applicant for up	✓ Same criteria as above.

	to 50% of the cost of eligible studies (excluding HST), up to a maximum of $30,000 per study and $100,000 per property. Payment is provided upon completion of an eligible development and following successful occupancy clearance from Building Services.	
Development Charges (DC) Deferral	To reduce financial barriers to development, the City of Barrie will allow qualifying projects to seek approval to defer the payment of project DCs without interest from the time of Building Permit issuance to prior to an Occupancy is Permitted report from Building Services, or a 24-month timeframe from Building Permit issuance, whichever comes first.	✓ Same criteria as above. ✓ Under the current Pilot DC Deferral Policy, all residential and non-residential projects are eligible for interest-free DC deferrals. While this pilot is active—or if the policy is extended—the CIP deferral incentive will remain inactive.

All submissions will be considered subject to the availability of funding. Additional requirements and details about each financial incentive are provided in the following subsections. Additional guidelines and application information, and further program details, will be set out in the Employment Development CIP application forms.

3.3.1 Financial Incentive Programs General Eligibility and Requirements

Projects will be given consideration on a first-come, first-served basis. Submissions will be reviewed using an Employment Development CIP Scorecard where appropriate to determine program eligibility. Projects must score a minimum of 70 on the scorecard to be eligible. All applications must meet the following general requirements to be eligible for the Employment Development CIP, in addition to the program specific eligibility requirements outlined in Section 3.3.2 through 3.3.6 of this plan:

- **Submission Intake:** Submission intake will be continuous, and submissions will be evaluated on a first-come, first-served basis. A completed submission form, in addition to all required supporting information and materials, must be received to be reviewed.

- **Multiple Incentives:** Applicants can apply for multiple CIP financial incentive programs, if eligible. When stacking CIP grants, the total combined grant funding shall not exceed eligible costs. City CIP incentives may be stacked with other government programs and funding (e.g. Invest Ontario funding). Development projects that previously received a 40 per cent Development Charge discount for industrial projects through a previous Development Charge By-Law are not eligible for any program under this CIP.
- **Eligible Costs:** Project costs incurred prior to an application under this CIP may be eligible for funding provided the project has not yet been issued an Occupancy Permit by Building Services or occupancy has not yet occurred and the Building Permit issuance date is January 1, 2025 or later. Eligible costs cannot exceed project development or redevelopment costs. Applicants will be required to submit overall project costs, including basic development pro forma details.
- **Agreement Requirements:** An agreement between the City and the owner (registered or assessed owners of lands/buildings) may be required, which will set out the terms, duration, and default provisions of the incentive(s) to be provided. This may be registered on title of the subject lands at the discretion of the City. The City may discontinue or rescind any financial incentive where there is not compliance with an executed agreement. Non-compliance may result in recission of incentive and requirement for repayment with interest.
- **Development Status:** With the exception of the Employment Ready Review applications and the Exemption from Site Plan Application Fees applications, projects must have an approved Site Plan Agreement, if applicable, prior to making an application to any CIP program. Applications must be submitted before an Occupancy Permit is issued by Building Services, and the Building Permit must have an issuance date of January 1, 2025 or later.
- **Location:** Projects must be located within the City of Barrie municipal boundary as it existed on the date of passing this By-Law. Project sites shall not be located on lands subject to flooding hazards, erosion hazards, including wetlands. Projects must be employment or industrial uses including but not limited to advanced manufacturing (inclusive of priority sectors such as automotive, defense, mining, and life sciences). Residential, office, mixed-use, commercial and retail projects would not be eligible.
- **Municipal Services**: With the exception of applying for the Employment Ready Review, applicants must demonstrate, to the satisfaction of the City of Barrie, that adequate municipal services (e.g. water, wastewater, and storm water) and utilities (e.g. hydro, natural gas, etc.) with appropriate capacity to service the proposed development are available or can be made available.
- **Taxes:** The property under consideration shall not be in a position of property tax arrears or shall have a payment schedule acceptable to the Director of Finance at the time of application.

3.3.2 Employment Ready Review

An Employment Ready Review is a complimentary preliminary plan review and meeting with City Staff to determine the planning process required and to discuss general development requirements prior to development or building permit applications.

All submitters must meet the following requirements, in addition to those noted in section 3.3.1 Financial Incentives Program General Eligibility and Requirements:

Additional Requirements and Details for Employment Readiness Consultation

- Projects must be located on lands within the City of Barrie municipal boundary as it existed on the date of passing this By-Law.
- Project sites shall not be located on lands subject to flooding hazards, erosion hazards, including wetlands.
- Projects must be employment or industrial uses including but not limited to advanced manufacturing (inclusive of priority sectors such as automotive, defense, mining, and life sciences). Residential, office, mixed-use, commercial and retail projects would not be eligible.
- May be vacant land or underutilized industrial buildings.

3.3.3 Tax Increment Equivalency Grant (TIEG)

The TIEG program incentivizes development by providing a yearly grant for a period of up to five (5) years. The TIEG uses the future property tax gains generated by a development to help finance the actual development through the provision of grants. The value of the grant provided is equal to the incremental increase in municipal property tax resulting from the increase in property assessment as a result of the improvements. The grant starts with 100% in year one and declines 20% per year for an additional four (4) years.

The grant is provided to the owner (registered or assessed), tenant or assigned third party, after the property taxes have been paid in full. The grants will only be provided after the development is complete and after the reassessment of the property by the Municipal Property Assessment Corporation (MPAC) has demonstrated an increase in the assessed value of the property. The pre- and post-improvement assessment and tax values will be used to calculate the incremental increase in municipal property tax revenue and the total value of the grant. The total payment shall not exceed the cost of (re)development.

The annual grant will be equal to a percentage of the tax increment paid for the City's portion on the property taxes, in decreasing percentages of the increment as follows:

- Year 1 – 100% of tax increment (pro-rated)
- Year 2 – 80% of tax increment
- Year 3 – 60% of tax increment
- Year 4 – 40% of tax increment

- Year 5 – 20% of tax increment

For additional clarification, the tax increment shall be calculated as the difference between:

- The annualized municipal taxes resulting from the increased assessment from project completion, as provided by MPAC, adjusted if applicable by subsequent assessment appeal decisions, and
- The annualized municipal taxes based on assessment the day before the effective dates of the assessment increase noted above.

If awarded a grant, an agreement between the owner (registered or assessed owners of lands/buildings) and the City may be required, which will set out the terms, duration, and default provisions of the grant provided. This may be registered on title of the subject lands at the discretion of the City. The owner will be required to contact the City following the issuance of a Property Assessment Change Notice from MPAC following development/redevelopment. The City may discontinue or rescind any financial incentive, plus interest, where there is not compliance with an executed agreement.

All submitters must meet the following requirements, in addition to those noted in section 3.3.1 Financial Incentives Program General Eligibility and Requirements:

Additional Requirements and Details for TIEG Submissions

- Projects must be located within the City of Barrie municipal boundary as it existed on the date of passing this By-law to be eligible for financial incentives.
- Project sites shall not be located on lands subject to flooding hazards, erosion hazards, including wetlands.
- Projects must be employment or industrial uses including but not limited to advanced manufacturing (inclusive of priority sectors such as automotive, defense, mining, and life sciences). Residential, office, mixed-use, commercial and retail projects would not be eligible.
- May be vacant land or underutilized industrial buildings.
- Priority will be given to projects anticipating the creation or retention of a large number of jobs.
- Priority will be given to projects anticipating the creation of a large amount of new/redeveloped gross floor area and large construction values.
- Priority will be given to projects in priority sectors such as automotive, defense, mining, and life sciences.
- Priority will be given to projects receiving funding through Invest Ontario, or other provincial or federal funding agencies.
- Projects must have received Site Plan Control approval if applicable. An application for the TIEG should be submitted at the time a building permit application is made.

3.3.4 Exemption from Site Plan Application Fees and Building Permit Fees Grant Program

The Exemption from Site Plan Application Fees and Building Permit Fees Grant Program allows for the upfront waiving of Site Plan Application fees and the rebating of base Building Permit fees for qualifying employment development projects.

Site plan application fees may be waived at the discretion of the Executive Director of Development Services or their designate for any development project that fits the project eligibility criteria.

This program will be implemented at the discretion of the Executive Director of Development Services or their designate.

The waiver only applies to the City's portion of the Application Fee and would not include fees required by other commenting or review agencies (for example, conservation authorities).

Applicants are responsible for paying Building Services fees for the base building permit at the time of application. Upon completion of an eligible development and following successful occupancy clearance from Building Services, 50% of the base building permit fee will be rebated up to a maximum of $150,000 per project. Only the base building permit fee qualifies for this rebate.

If awarded a grant, an agreement between the owner (registered or assessed owners of lands/buildings) and the City may be required, which will set out the terms, duration, and default provisions of the grant provided. This may be registered on title of the subject lands at the discretion of the City.

All submitters must meet the following requirements, in addition to those noted in section 3.3.1 Financial Incentives Program General Eligibility and Requirements:

Additional Requirements and Details for Exemption from Planning Application Fees and Building Permit Fees Grant Program

- Projects must be located within the City of Barrie municipal boundary as it existed on the date of passing this By-law to be eligible for financial incentives.
- Project sites shall not be located on lands subject to flooding hazards, erosion hazards, including wetlands.
- Projects must be employment or industrial uses including but not limited to advanced manufacturing (inclusive of priority sectors such as automotive, defense, mining, and life sciences). Residential, office, mixed-use, commercial and retail projects would not be eligible.
- May be vacant land or underutilized industrial buildings.
- Priority will be given to projects anticipating the creation or retention of a large number of jobs.

- Priority will be given to projects anticipating the creation of a large amount of new/redeveloped gross floor area and large construction values.
- Priority will be given to projects in priority sectors such as automotive, defense, mining, and life sciences.
- Priority will be given to projects receiving funding through Invest Ontario, or other provincial or federal funding agencies.
- Building permit grants will be issued upon first occupancy, which must occur within 24 months of the building permit being issued. To qualify for funding, the first occupant must meet the CIP's use eligibility criteria.
- Extensions of up to 12 months may be considered if construction has commenced and there is verifiable proof of future tenancy.
- For multi-tenant developments, a rebate of base building permit fees for the shell structure may be provided once the first qualifying occupancy occurs. A new CIP application can be made for each tenant provided they individually meet the program's eligibility criteria.
- For renovations to existing multi-tenant buildings, if the entire building is being renovated and intended for multiple tenants, a single application may be submitted for the whole property. However, if only one unit is being renovated, that unit must independently meet the CIP eligibility requirements. The same grant disbursement timing as above would apply.

3.3.5 Study Grants Program

A study grant is offered to offset the cost of studies required by the City to support an employment use on an eligible property.

The studies may include, but not necessarily be limited to: traffic impact studies; environmental impact studies; site servicing studies; archaeological surveys; and/or feasibility/analysis studies.

The grant is a 50/50 matching grant program where the City will provide a grant to an applicant for up to 50% of the cost of an eligible study (excluding HST), up to a maximum of $30,000 per study and $100,000 per project. The fee paid for study grants is rebated upon completion of an eligible development. The applicant pays all study fees and following successful occupancy clearance from Building Services the applicant can submit study invoices to be considered for reimbursement to the applicant. Studies must be required as part of the development or building permit process to be eligible for reimbursement.

If awarded a grant, an agreement between the owner (registered or assessed owners of lands/buildings) and the City may be required, which will set out the terms, duration, and default provisions of the grant provided. This may be registered on title of the subject lands at the discretion of the City.

All submitters must meet the following requirements, in addition to those noted in Section 3.3.1 Financial Incentive Programs General Eligibility and Requirements:

Additional Requirements and Details for Study Grant Program Applicants

- Projects must be located within the City of Barrie municipal boundary as it existed on the date of passing this By-law to be eligible for financial incentives.
- Project sites shall not be located on lands subject to flooding hazards, erosion hazards, including wetlands.
- Projects must be employment or industrial uses including but not limited to advanced manufacturing (inclusive of priority sectors such as automotive, defense, mining, and life sciences). Residential, office, mixed-use, commercial and retail projects would not be eligible.
- May be vacant land or underutilized industrial buildings.
- Priority will be given to projects anticipating the creation or retention of a large number of jobs.
- Priority will be given to projects anticipating the creation of a large amount of new/redeveloped gross floor area and large construction values.
- Priority will be given to projects in priority sectors such as automotive, defense, mining, and life sciences.
- Priority will be given to projects receiving funding through Invest Ontario, or other provincial or federal funding agencies.
- Study grants will be issued upon first occupancy, which must occur within 24 months of the building permit being issued. To qualify for funding, the first occupant must meet the CIP's use eligibility criteria.
- Extensions of up to 12 months may be considered if construction has commenced and there is verifiable proof of future tenancy.
- For renovations to existing multi-tenant buildings, if the entire building is being renovated and intended for multiple tenants, a single application may be submitted for the whole property. However, if only one unit is being renovated, that unit must independently meet the CIP eligibility requirements. The same grant disbursement timing as above would apply.

3.3.6 Development Charges (DC) Deferral Program

Under the current City of Barrie Pilot DC Deferral Policy, (FIN-25-010) all residential and non-residential projects are eligible for interest-free DC deferrals. While this pilot is active—or if the policy is extended—the CIP DC deferral incentive will remain inactive.

To reduce financial barriers to development, the City of Barrie will allow qualifying projects to seek approval to defer the payment of project DCs without interest from the time of Building Permit issuance to prior to an Occupancy is Permitted report from Building Services, or a 24-month timeframe from Building Permit issuance, whichever comes first.

Requests to defer DCs through the Employment Development CIP program must be made at time of Building Permit application and will be reviewed for compliance with the

eligibility criteria by Financial Services in consultation with Invest Barrie. If all criteria are met, the deferrals will be granted and an agreement between the City and the owner (registered or assessed owners of lands/buildings) will be required. This may be registered on title of the subject lands at the discretion of the City.

DCs must be fully secured prior to building permit issuance through cash, Letters of Credit, Surety Bonds, or other acceptable instruments under the City's Securities Policy. Securities will be drawn upon expiration of the deferral period.

The City may require payment of DCs at any time following the issuance of a Building Permit and may discontinue or rescind any financial incentive, plus interest, where there is not compliance with an executed agreement.

All submitters must meet the following requirements, in addition to those noted in Section
3.2.1 Financial Incentive Programs General Eligibility and Requirements:

Additional Requirements and Details for the CIP Development Charges (DC) Deferral Program

- Projects must be located within the City of Barrie municipal boundary as it existed on the date of passing this By-law to be eligible for financial incentives.
- Project sites shall not be located on lands subject to flooding hazards, erosion hazards, including wetlands.
- Projects must be employment or industrial uses including but not limited to advanced manufacturing (inclusive of priority sectors such as automotive, defense, mining, and life sciences). Residential, office, mixed-use, commercial and retail projects would not be eligible.
- May be vacant land or underutilized industrial buildings.
- Priority will be given to projects anticipating the creation or retention of a large number of jobs.
- Priority will be given to projects anticipating the creation of a large amount of new/redeveloped gross floor area and large construction values.
- Must have received Site Plan Control approval if applicable and must have submitted a building permit application.
- Priority will be given to projects in priority sectors such as automotive, defense, mining, and life sciences.
- Priority will be given to projects receiving funding through Invest Ontario, or other provincial or federal funding agencies.

4 Implementation

4.1 Implementation and Administration

The Employment Development CIP will be implemented through the policies of the Official Plan and Section 28 of the *Planning Act*.

Overall implementation will be subject to Council review, approval of program details and budgetary allocation. This CIP and associated programs will be administered by Invest Barrie staff, in consultation with staff in the Development Services, Building Services, Finance, and Legal Services Departments. The provision of any grant as described in Section 3.3 of this CIP under any financial incentive program or other CIP program shall be administered based on merit and the limit of funding available in accordance with administrative rules governing the grant programs.

Approval of grants will be delegated to City staff. Invest Barrie staff will review the submissions against the applicable submission scorecard and make recommendations to an interdepartmental Grants Review Group consisting of members of the Senior Leadership and Executive Management Teams. The Grants Review Group will make decisions on the allocation of grants.

Additional specific details regarding the financial incentive programs, submission, and administration procedures shall be set out in the grant submission forms and may change from time to time without the need for an amendment to this CIP submission.

4.2 Submission Process and Review

A submission will be required for any applicant seeking financial assistance through the Employment Development CIP. The submission process will generally follow the below process:

1. **The City will open a continuous submission intake for financial incentive programs under the Employment Development CIP**. The details of the submission process will be made available on an Employment Development CIP webpage at barrie.ca and advertised by Invest Barrie through established communication methods (e.g. Invest Barrie website at investbarrie.ca, press releases, social media, etc.). Invest Barrie staff reserve the right to establish separate intake periods for different CIP financial incentives as deemed necessary. Council reserves the right to place one or more Financial Incentive Programs on hold in any given year.

2. **Submission details will be made available on the City of Barrie's Employment Development CIP webpage and Invest Barrie Staff will assist with completing required submission documents.** Submissions must include all required supporting information/documents as indicated on the submission form, including, but not limited to:

- outlining the location of the property;
- the type and nature of the proposed development or redevelopment;
- the anticipated completion date;
- the estimated value of the project;
- basic project pro forma details;
- anticipated employment numbers and agreement to provide payroll information when requested as supporting documentation; and
- the financial incentives being applied for.

3. **Submissions and supporting documentation will be reviewed by Invest Barrie staff as received to ensure they are complete and meet eligibility requirements.** If submissions are incomplete, missing supporting documentation, or basic eligibility requirements are not met or cannot be confirmed, staff will inform the submitter in writing. Similarly, applicants will be informed in writing if their application is complete and acceptable for review and consideration.

4. **Invest Barrie staff will provide all applicable scorecards and make recommendations of grant approvals to an interdepartmental Grants Review Group.** The Grants Review Group will make the final decisions on the allocation of grants, including the amount of funding provided. Grants may be awarded for a lesser amount than what was requested based on merit or limited funding.

5. **Notification will be provided regarding the CIP award, including instructions on next steps for accessing grant money.** Successful applicants may be required to enter into an agreement with the City of Barrie outlining the amount to be paid by the City, the payment period, and any other applicable terms and conditions. See 4.3 Funding and Timing of Payment of Grants for more information.

4.3 Funding and Timing of Payment of Grants

4.3.1 Funding Overview and Conditions

The following is applicable to all grants issued through the Employment Development CIP financial incentive programs:

- **Agreements:** The property owner may be required to enter into an agreement with the City of Barrie specifying the amount to be paid by the City and the payment period. In all cases, the property owner must consent to the agreement in writing. The funding agreement will outline any required construction timelines (e.g. when a Building Permit application needs to be submitted by).

- **Forgivable Loans:** Any of the grant programs or financial incentives may be structured as loans or forgivable loans if necessary, to secure City interests.
- **Property Ownership:** There is a requirement that the lands are owned by either the submitter or a related/affiliated organization. The City will require additional information from the applicant regarding the ownership of the lands and whether a transfer/sale is anticipated as the owner of the land will be party to the contribution agreement.
- **Change in Property Ownership:** CIP programs will be available to a property owner only. The City may extend the original grant payment schedule to a new owner subject to an amended agreement with the new owner. TIEG payments to the original owner will cease if the original owner sells the property prior to payment of all installments per the schedule and the grant has not been transferred or assigned through an agreement to the new owner.
- **Transferability:** Assistance granted under any financial incentive or other program for a particular applicant is not transferable to any other property.

4.3.2 Grant Payments

Payment of grants is provided to the owner (registered or assessed), tenant or assigned third party and will occur following the property owners' entering into an agreement with the City of Barrie, if applicable, which may be registered on title at the discretion of the City. The provision of the applicable documentation must be provided to demonstrate that the work has been completed as required. Payment of the necessary fees and charges, as required, is at the time of making *Planning Act* applications and Building Permit applications, unless otherwise specified under the programs or otherwise exempt through other City programs.

Grants may be awarded for a lesser amount than what was requested based on merit or limited funding. If a submission is approved under any of the programs, the timing of the grant payments for each program shall be as follows:

Employment Ready Review
A complimentary Employment Ready Review may be undertaken at the discretion of the Executive Director of Development Services or their designate for any development project that fits the project eligibility criteria.

Tax Increment Equivalency Grant (TIEG)
The TIEG shall be paid annually through the incremental taxes upon MPAC re-assessment of the property after (re)development has occurred, for a maximum of five (5) years. The owner will be required to contact the City following the issuance of a Property Assessment Change Notice from MPAC following development/redevelopment. The total payment shall not exceed the cost of redevelopment. The annual grant will be equal to a percentage of the tax increment paid

for the City's portion on the property taxes, in decreasing percentages of the increment as follows:

I. Year 1 – 100% of tax increment (pro-rated)
II. Year 2 – 80% of tax increment
III. Year 3 – 60% of tax increment
IV. Year 4 – 40% of tax increment
V. Year 5 – 20% of tax increment

Where properties that are not subject to taxes are redeveloped, the base tax shall be based on the tax that would be applied to the land and buildings based on the current use. For example, a municipal property or a church converted to an industrial use shall not have a zero-base tax from which to calculate the tax increment. Properties that remain exempt from taxes after redevelopment do not qualify for the grant (i.e. they cannot be given a grant for taxes not paid).

Exemption from Site Plan Application Fees and Building Permit Fees Grant Program

Fees related to site plan control application, may be waived at the discretion of the Executive Director of Development Services or their designate for any development project that fits the project eligibility criteria.

This program allows Development Services to waive upfront site plan control application fees. This program implemented at the discretion of the Executive Director of Development Services or their designate.

The waiver only applies to the City's portion of the Application Fee and would not include fees required by other commenting or review agencies (for example, conservation authorities).

Applicants are responsible for paying Building Services fees for the base building permit at the time of application. Upon completion of an eligible development and following successful occupancy clearance from Building Services, 50% of the base building permit fee will be rebated up to a maximum of $150,000 per project. Only the base building permit fee qualifies for this rebate.

Building permit grants will be issued upon first occupancy, which must occur within 24 months of the building permit being issued. To qualify for funding, the first occupant must meet the CIP's use eligibility criteria. Extensions of up to 12 months may be considered if construction has commenced and there is verifiable proof of future tenancy.

For multi-tenant developments, a rebate of base building permit fees for the shell structure may be provided once the first qualifying occupancy occurs. A new CIP application can be made for each tenant provided they individually meet the program's eligibility criteria.

For renovations to existing multi-tenant buildings, if the entire building is being renovated and intended for multiple tenants, a single application may be submitted for the whole property. However, if only one unit is being renovated, that unit must independently meet the CIP eligibility requirements. The same grant disbursement timing as above would apply.

Study Grants Program
The grant is a 50/50 matching grant program where the City will provide a grant to an applicant for up to 50% of the cost of an eligible study (excluding HST), up to a maximum of $30,000 per study and $100,000 per property. The fee paid for study grants is rebated upon completion of an eligible development. The applicant pays all study fees and following successful occupancy clearance from Building Services the applicant can submit study invoices to be considered for reimbursement to the applicant. Studies must be required as part of the development or building permit process to be eligible for reimbursement.

Study grants will be issued upon first occupancy, which must occur within 24 months of the building permit being issued. To qualify for funding, the first occupant must meet the CIP's use eligibility criteria. Extensions of up to 12 months may be considered if construction has commenced and there is verifiable proof of future tenancy.

For renovations to existing multi-tenant buildings, if the entire building is being renovated and intended for multiple tenants, a single application may be submitted for the whole property. However, if only one unit is being renovated, that unit must independently meet the CIP eligibility requirements. The same grant disbursement timing as above would apply.

Development Charges (DC) Deferrals Program
There will be no payment of funds to recipients of the development charges (DC) deferral program as this program only allows for the deferral of DC payments, without interest, from the time of Building Permit issuance to prior to an Occupancy is Permitted report from Building Services, or a 24-month timeframe from Building Permit issuance, whichever comes first. DCs must be fully secured prior to building permit issuance through cash, Letters of Credit, Surety Bonds, or other acceptable instruments under the City's Securities Policy. Securities will be drawn upon expiration of the deferral period.

4.3.3 Financing of Incentives

An annual budget is not proposed for the CIP. Council has the authority to determine whether to fund all programs through one pool of funding, or to allocate a set amount of the CIP and/or Commercial/Industrial Lands Reserve fund (to be renamed the Employment Development Reserve fund) to specific programs.

Council may approve an annual budget for the Employment Development CIP exclusively for funding the TIEG Program, Exemption from Planning Application Fees and Building Permit Fees Grant Program, Study Grants Program, and/or the DC Deferral Program.

All programs described in Section 3.3 are to be funded by the City of Barrie or in conjunction with such other Federal or Provincial programs or funding which may be available. If not all the available funding has been allocated at the end of the year, any unused funding will carry over into the following year within the CIP and/or Employment Development Fund. Should funding amounts from other levels of government fluctuate some programs may be put on hold.

Grants awarded for the TIEG Program will be absorbed by the City as lost assessment revenue initially but would be recouped over time in the form of overall increased property taxes and economic activity that otherwise may not have been realized without the incentives.

The Exemption from Site Plan Application Fees will be absorbed as lost revenue.

DCs must be fully secured prior to building permit issuance through cash, Letters of Credit, Surety Bonds, or other acceptable instruments under the City's Securities Policy. Securities will be drawn upon expiration of the deferral period.

Building Permit Fees Grants and Study Fees Grants will need to be made whole.

4.4 Monitoring and Reporting

The Employment Development CIP will be monitored on an ongoing basis to track progress relative to the goal and objectives. Records of all grants and incentives awarded shall be maintained and the following shall be documented:

- Number of submissions received;
- The number and location of grants awarded under each financial incentive program;
- The number and type of development projects secured through CIP agreements;
- The construction value of all projects awarded grants through all financial incentive programs;
- Increase in assessment value of participating properties;
- Estimated and actual amount of municipal assistance/grants provided;
- Value of investment leveraged; and
- Number of jobs created or retained through the project.

An annual review and monitoring report of the Employment Development CIP program will be provided to City Council. Information on the above-listed indicators will be collected at the individual project level and aggregated. The aggregated information will be used as the basis for annual reporting to Council. The annual reports are intended to

be used to inform decisions related to adjustments to this CIP, as well as any budget decisions related to the incentive programs.

4.5 Plan Revisions and Amendments

City Council may alter, change, amend or modify the terms, conditions, and details of any grant program under this CIP. The addition of a new grant or loan program shall require an amendment to this CIP; however, the City of Barrie may discontinue or place on hold any program without requiring an amendment to this Plan.

Minor or technical amendments, such as correcting typographical errors, revisions to definitions, and administrative details of specific programs (including application intake periods), may be made without Council approval.

Major or substantive amendments may be made by amendment, subject to the statutory process under the *Planning Act*, which includes public consultation and Council approval.

The following adjustments constitute a major or substantive change:

1. Modifications to the Community Improvement Project Area;
2. Addition of a new incentive program;
3. Changes to the types of eligible projects or an addition of a new eligible project; and
4. Changes to eligibility criteria.

When making any amendments to the CIP, the City must pass a by-law to adopt such amendments.

5 Definitions

Eligible Costs: shall have the same meaning as used in subsection 28 (7.1) of the *Planning Act*, being: “costs related to environmental site assessment, environmental remediation, development, redevelopment, construction and reconstruction of lands and buildings for rehabilitation purposes or for the provision of energy efficient uses, buildings, structures, works, improvements or facilities.”

Grant: shall mean money awarded through a financial incentive program included in Section 3.3, as well as any agreement awarded to defer the payment of development charges under Section 3.3.5.

Employment and Industrial Uses: Shall mean uses as defined in PPS 2024.

Construction Commencement: is defined as the point at which physical site work begins—such as excavation, foundation pouring, or structural framing—supported by inspection reports or contractor documentation.

Multi-tenant Building: A single property designed to house multiple independent businesses under one roof, rather than being occupied by a single large company.

Proof of future tenancy: A signed tenancy agreement or lease agreement, or a letter of intent from the tenant expressing their commitment to future tenancy.

First Occupancy: Referring to the first occupant or tenant to move into the building.